ISG Provider Lens™

Public Cloud – Services & Solutions

France 2021

Quadrant Report

A research report comparing provider strengths, challenges and competitive differentiators

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December 2021

About this Report

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The research and analysis presented in this report includes research from the ISG Provider Lens™ program, ongoing ISG Research programs, interviews with ISG advisors, briefings with services providers and analysis of publicly available market information from multiple sources. The data collected for this report represents information that ISG believes to be current as of July 2021, for providers who actively participated as well as for providers who did not. ISG recognizes that many mergers and acquisitions have taken place since that time, but those changes are not reflected in this report.

All revenue references are in U.S. dollars ($US) unless noted.

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ISG Provider Lens™ delivers leading-edge and actionable research studies, reports and consulting services focused on technology and service providers' strengths and weaknesses and how they are positioned relative to their peers in the market. These reports provide influential insights accessed by our large pool of advisors who are actively advising outsourcing deals as well as large numbers of ISG enterprise clients who are potential outsourcers.

For more information about our studies, please email ISGLens@isg-one.com, call +49 (0) 561-50697537, or visit ISG Provider Lens™ under ISG Provider Lens™.

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EXECUTIVE SUMMARY

Public cloud use is accelerating in France. In 2021, the French Government declared its support to cloud adoption to allow French companies and administrations to benefit from the best cloud services. The government strategy defines three pillars to further this cause – cloud de confiance (trusted cloud), cloud au centre (cloud at the center) and Politique Industrialle (incentives for high-value-added projects, including AI, analytics and collaboration).

The announcement is a part of the France Relance recovery plan, compelling business executives and governments to prioritize cloud adoption. The government push on cloud has, correspondingly, drawn attention to concerns around data privacy, data sovereignty, cyberattacks and extraterritorial legislation, including access to citizen data and company secrets. The intent is to protect sensitive data from the U.S. Cloud Act (it can mandate access to data hosted by any U.S-based company), and espionage or sabotage by other countries and terrorist groups.

The global IT service providers tend to oversimplify these concerns by offering General Data Protection Regulation (GDPR) compliance. IT executives in France need to understand the nuances that differentiate GDPR compliance, data sovereignty, cybercrime and espionage for better decision making around IT spending, security tools and service provider choices.

Trusted Cloud – Agence nationale de la sécurité des systèmes d'information (ANSSI) will issue SecNumCloud visa (certificates) for companies that have European shareholders (company ownership) and local or licensed foreign technologies. The certificate ensures data residency in Europe and data loss prevention tools are effective. Capgemini and Orange announced the creation of the first company, Bleu, under the Trusted Cloud title, ensuring French ownership while offering Microsoft's cloud technologies. Bleu should start operations in 2022. Outscale and OVHcloud were the first to be certified. ISG expects Scaleway to soon announce a Trusted Cloud certification.

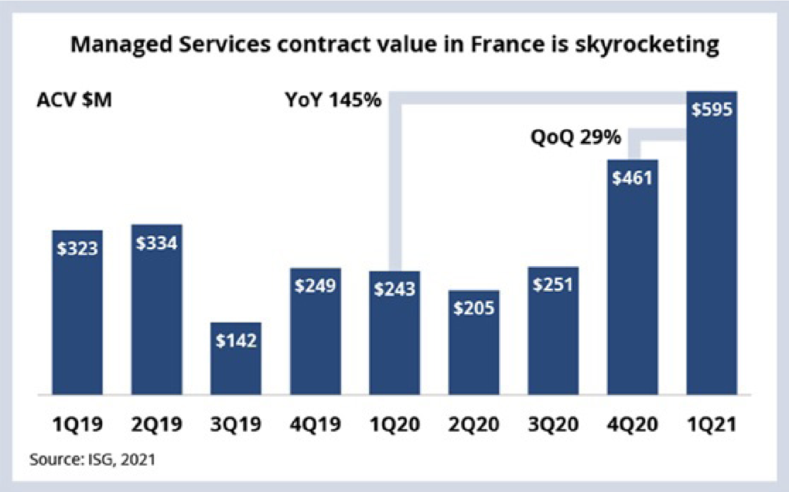
Cloud at the center – The French Government has mandated that any new digital project within the state will use the cloud. This is an extremely important commitment because of the government's spent impact on France's GDP. It also frees government agencies, para-public highly regulated companies to consider cloud first.

An ambitious industrial strategy – The French Government offers direct support for high value-added projects under the 4th Program of Investments for the Future and France Relance (economy recovery plan). It targets critical technologies such as Platform as a Service (PaaS) solutions for the deployment of AI and big data or collaborative work software suites. The program has identified five projects for which the government has committed more than €100 million.

French cloud market implications – ISG has identified three categories of companies in this context: The first group includes France-based multinationals such as Carrefour, Group Cassino and Renault that are using the public cloud with full GDPR compliance. Their operations and data are distributed across many countries; data sovereignty is intangible for the multinationals. The second group includes companies that are operating within France; they do not have concerns about data sovereignty and are not targets for espionage. Foreign access to their business data would not have any relevant impact. They are concerned with cybersecurity and GDPR compliance that any public cloud can provide. The third group comprises the French State, public agencies, regional authorities, hospitals and companies classified as Opérateurs d'Importance Vitale (OIV) and Opérateurs de Services Essentiels (OSE). This group holds citizens' health data, scientific research data, government secrets, detailed tax information and other confidential data that require data sovereignty. These companies were excluded from the public cloud in the past and, starting 2021, have clear directives to accelerate their digital transformations.

All trends are positive – France is ready for cloud market growth. Globally, ISG expects cloud contract value to increase by 21 percent in 2021, with traditional IT services seeing an 8 percent rise in contract value. Some of the recent developments in Europe in this context: HCL Digital Workplace Services' agreement with Airbus; BMW Group's announcement that it is migrating workloads to AWS, joining automakers Renault and Volkswagen on AWS; Amadeus signed a deal with Microsoft Azure; and AWS won an infrastructure-as-a-service (IaaS) contract with Ferrari. In addition, Digital Realty opened its third Paris-based data center and Equinix announced that it will create the first carrier-neutral data center in the Nouvelle-Aquitaine region.

The managed services contract value in France in the fourth quarter of 2020 and the first quarter of 2021 show two quarters of outstanding growth – up by 145 percent, year over year, and 29 percent, quarter over quarter.



Merges and acquisitions on the rise – There were 93 managed services acquisitions in the first half of 2021. Accenture, IBM, Tech Mahindra, Atos, Cognizant and EPAM have been the most active IT services providers through the first half of the year. The importance of the France in this market is illustrated by the acquisition of France-based cloud services provider, Linkbynet, by Accenture, and Edifixio, by Atos.

Focus on carbon emissions – All cloud providers, colocation providers and many service providers have committed to reducing their carbon footprint, including setting target dates to achieve zero emission. For clients, migration to the public cloud can accelerate their carbon reduction programs.

AI automation adoption – Managed service providers are increasing the use of AIOps, offering 40 to 70 percent automation, depending on their toolset and AI maturity.

FinOps requires integration – No FinOps tool offers all functionalities; clients can choose service providers that integrate FinOps tools to provide comprehensive cost management dashboards.

Multicloud is pervasive – Most service providers can support more than one cloud. The market is moving from IaaS (virtual machines to run all applications) to PaaS (cloud services such as databases and tools). A client can run its transaction services on a global cloud and keep sensitive data on a cloud de confiance. The right system architecture enables clients to run on many clouds, simultaneously.

Hyperscalers fiercely competing for SAP – The announcement of RISE with SAP in December 2020 has accelerated SAP migrations to the cloud in 2021. Clients can choose the cloud to host their SAP and hyperscalers are very competitive in assessing each SAP deal. Clients that promote competitive procurement can get benefits in the pre-sales phase, bringing about insightful discussions around business innovation and optimum cloud architecture to improve performance.

Introduction

Simplified illustration

Public Cloud – Service & Solutions 2021	
Consulting and Transformation Services for Large Accounts	Consulting and Transformation Services for Midmarket
Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket
Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services

Source: ISG 2021

Definition

In the last financial year, the increase in public cloud adoption among enterprises was mainly triggered by the COVID-19 pandemic, along with other factors such as the growing digital transformation engagements, increasing recognition of the importance of cybersecurity and expanding remote working environments. The increased maturity of the cloud industry made a major impact on both enterprises and IT service providers, with both buyers and consumers witnessing a huge shift the buying behavior, from physical to digital. For enterprises, this has also impacted business models, requiring digital initiatives and prompting them to recognize the need to address governance, risk and compliance norms. Considering the widespread adoption of the as-a-service model, enterprises need to continuously evaluate cloud service providers, globally, mainly due to growing security concerns and the dynamic nature of the business landscape. Enterprises continue to seek providers that can

Definition (cont.)

act as strategic partners in carrying out cloud transformation engagements on major hyperscalers (AWS, Microsoft Azure and Google Cloud Platform). The provider will also continue to manage the workloads on an on-going basis, and help enterprises control, optimize and manage cloud expenses though FinOps strategies.

ISG reports a strong demand for digital transformation engagements, which, in turn, is driving global contracts for cloud products and services, including infrastructure-as-a-service (IaaS) and platform-as-a-service (PaaS). According to the latest 2Q21 ISG Index™, the global market has grown 32 percent in combined market annual contract value (ACV) to reach its current value of $19.1 billion year-over-year, while the as-a-service ACV has increased by 25 percent to reach $11.2 billion in the same period. Also, the IaaS market grew by 29 percent to reach $15.3 billion, while the SaaS market grew by 15 percent to reach $5.7 billion in the first half of 2021.

The ISG Provider Lens™ study offers the following to IT-decision makers:

- Strengths and weaknesses of relevant providers;
- A differentiated positioning of providers based on competitive strength and portfolio attractiveness;
- A perspective on several markets, including global, the U.S., the U.K., Germany, Switzerland, France, the Nordics and France.

This study serves as the basis for important decision-making in terms of positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also leverage information from these reports to evaluate current vendor relationships and potential engagements.

Definition (cont.)

Scope of the Report

This study considers public cloud service providers including infrastructure hyperscalers and their service partners. These service providers qualified in the following six quadrants:

The **Consulting and Transformation Services for Large Accounts** quadrant assesses service providers and service integrators that partner with public cloud infrastructure providers to offer ideation of multicloud programs and industry cloud solutions, and manage customer-specific complexities related to adopting and deploying public cloud solutions. These providers focus on the large accounts market.

The **Consulting and Transformation Services for Midmarket** quadrant assesses the partners of public cloud infrastructure providers (hyperscalers) to offer ideation, strategy and planning related to cloud solutions, workload migrations and adoption of public cloud solutions, where they focus on clients in the midmarket.

The **Managed Public Cloud Services for Large Accounts** quadrant assesses service providers that offer professional and managed services on top of public cloud IaaS and PaaS from AWS, Microsoft Azure, Google Cloud Platform and other hyperscalers. These companies focus on large account clients.

The **Managed Public Cloud Services for Midmarket** quadrant assesses service providers that offer professional and managed services on top of public cloud IaaS and PaaS from AWS, Microsoft Azure, Google Cloud Platform and other hyperscalers, with focus on clients in the midmarket.

The **Hyperscale Infrastructure and Platform Services** quadrant assesses companies that provide virtual compute resources, middleware and software in a public cloud environment. Clients consume infrastructure and platform services on-demand.

The **SAP HANA Infrastructure Services** quadrant assesses cloud infrastructures optimized to host the SAP HANA database and SAP S/4HANA workloads. IaaS participants should offer data migration, system imaging, backup, restore, disaster recovery, resource usage monitoring and dashboard management services.

Provider Classifications

The provider position reflects the suitability of IT providers for a defined market segment (quadrant). Without further additions, the position always applies to all company sizes classes and industries. In case the IT service requirements from enterprise customers differ and the spectrum of IT providers operating in the local market is sufficiently wide, a further differentiation of the IT providers by performance is made according to the target group for products and services. In doing so, ISG either considers the industry requirements or the number of employees, as well as the corporate structures of customers and positions IT providers according to their focus area. As a result, ISG differentiates them, if necessary, into two client target groups that are defined as follows:

- **Midmarket:** Companies with 100 to 4,999 employees or revenues between US$20 million and US$999 million with central headquarters in the respective country, usually privately owned.
- **Large Accounts:** Multinational companies with more than 5,000 employees or revenue above US$1 billion, with activities worldwide and globally distributed decision-making structures.

Provider Classifications

The ISG Provider Lens™ quadrants are created using an evaluation matrix containing four segments (Leader, Product & Market Challenger and Contender), and the providers are positioned accordingly.

Leader

Leaders have a comprehensive product and service offering, a strong market presence and established competitive position. The product portfolios and competitive strategies of Leaders are strongly positioned to win business in the markets covered by the study. The Leaders also represent innovative strength and competitive stability.

Product Challenger

Product Challengers offer a product and service portfolio that reflect excellent service and technology stacks. These providers and vendors deliver an unmatched broad and deep range of capabilities. They show evidence of investing to enhance their market presence and competitive strengths.

Market Challenger

Market Challengers have a strong presence in the market and offer a significant edge over other vendors and providers based on competitive strength. Often, Market Challengers are the established and well-known vendors in the regions or vertical markets covered in the study.

Contender

Contenders offer services and products meeting the evaluation criteria that qualifies them to be included in the IPL quadrant. These promising service providers or vendors show evidence of rapidly investing in both products and services and a sensible market approach with a goal of becoming a Product or Market Challenger within 12 to 18 months.

Provider Classifications (cont.)

Each ISG Provider Lens™ quadrant may include a service provider(s) which ISG believes has strong potential to move into the Leader quadrant. This type of provider can be classified as a Rising Star. Number of providers in each quadrant: ISG rates and positions the most relevant providers according to the scope of the report for each quadrant and limits the maximum of providers per quadrant to 25 (exceptions are possible).

Rising Star

Rising Stars have promising portfolios or the market experience to become a Leader, including the required roadmap and adequate focus on key market trends and customer requirements. Rising Stars also have excellent management and understanding of the local market in the studied region. These vendors and service providers give evidence of significant progress toward their goals in the last 12 months. ISG expects Rising Stars to reach the Leader quadrant within the next 12 to 24 months if they continue their delivery of above-average market impact and strength of innovation.

Not In

The service provider or vendor was not included in this quadrant. Among the possible reasons for this designation: ISG could not obtain enough information to position the company; the company does not provide the relevant service or solution as defined for each quadrant of a study; or the company did not meet the eligibility criteria for the study quadrant. Omission from the quadrant does not imply that the service provider or vendor does not offer or plan to offer this service or solution.

Public Cloud – Services & Solutions - Quadrant Provider Listing 1 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Accenture	Leader	Not in	Leader	Not in	Not in	Not in
Alibaba	Not in	Not in	Not in	Not in	Contender	Not in
Atos	Leader	Not in	Leader	Not in	Not in	Not in
AWS	Not in	Not in	Not in	Not in	Leader	Leader
Axians	Not in	Contender	Not in	Contender	Not in	Not in
Be-Cloud	Not in	Contender	Not in	Contender	Not in	Not in
Birlasoft	Not in	Contender	Not in	Contender	Not in	Not in
Capgemini	Leader	Not in	Leader	Not in	Not in	Not in
CGI	Leader	Not in	Leader	Not in	Not in	Not in
Claranet	Not in	Leader	Not in	Leader	Not in	Not in
Cloud Temple	Not in	Rising Star	Not in	Product Challenger	Not in	Not in

Public Cloud – Services & Solutions - Quadrant Provider Listing 2 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Cloudreach	Not in	Leader	Not in	Leader	Not in	Not in
Cognizant	Product Challenger	Not in	Product Challenger	Not in	Not in	Not in
Computacenter	Not in	Product Challenger	Not in	Product Challenger	Not in	Not in
Corexpert	Not in	Product Challenger	Not in	Contender	Not in	Not in
Crayon	Not in	Market Challenger	Not in	Contender	Not in	Not in
Devoteam	Not in	Leader	Not in	Leader	Not in	Not in
DXC	Leader	Not in	Product Challenger	Not in	Not in	Not in
Fujitsu	Contender	Not in	Contender	Not in	Not in	Not in
Google	Not in	Not in	Not in	Not in	Leader	Leader
HCL	Leader	Not in	Product Challenger	Not in	Not in	Not in
IBM	Product Challenger	Not in	Leader	Not in	Product Challenger	Product Challenger

Public Cloud – Services & Solutions - Quadrant Provider Listing 3 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
Infosys	Contender	Not in	Contender	Not in	Not in	Not in
LTI	Rising Star	Not in	Product Challenger	Not in	Not in	Not in
Microsoft	Not in	Not in	Not in	Not in	Leader	Leader
NTT DATA	Contender	Not in	Contender	Not in	Not in	Not in
Oracle	Not in	Not in	Not in	Not in	Contender	Not in
Orange Business Services	Leader	Leader	Leader	Leader	Product Challenger	Not in
Outscale	Not in	Not in	Not in	Not in	Contender	Not in
OVHcloud	Not in	Not in	Not in	Not in	Product Challenger	Contender
oXya	Not in	Leader	Not in	Market Challenger	Not in	Not in
PASàPAS	Not in	Contender	Not in	Contender	Not in	Not in
Reply	Not in	Product Challenger	Not in	Contender	Not in	Not in

Public Cloud – Services & Solutions - Quadrant Provider Listing 4 of 4

	Consulting and Transformational Services for Large Accounts	Consulting and Transformational Services for Midmarket	Managed Public Cloud Services for Large Accounts	Managed Public Cloud Services for Midmarket	Hyperscale Infrastructure and Platform Services	SAP HANA Infrastructure Services
SAP	Not in	Not in	Not in	Not in	Not in	Product Challenger
ScaleSquad	Not in	Leader	Not in	Leader	Not in	Not in
Scaleway	Not in	Not in	Not in	Not in	Contender	Not in
SoftwareONE	Not in	Contender	Not in	Contender	Not in	Not in
Sopra Steria	Leader	Leader	Leader	Leader	Not in	Not in
Stack Labs	Not in	Contender	Not in	Not in	Not in	Not in
TCS	Product Challenger	Not in	Product Challenger	Not in	Not in	Not in
Tech Mahindra	Contender	Not in	Contender	Not in	Not in	Not in
T-Systems	Product Challenger	Product Challenger	Product Challenger	Rising Star	Not in	Contender
Unisys	Product Challenger	Not in	Product Challenger	Not in	Not in	Not in
Wipro	Product Challenger	Not in	Rising Star	Not in	Not in	Not in

Public Cloud – Services & Solutions Quadrants

ENTERPRISE CONTEXT

Consulting and Transformation Services for Large Accounts

This quadrant is relevant to large enterprises in France that are evaluating consulting and transformation service providers. This quadrant report is centered around the current market positioning of these providers and how they address key challenges in large enterprise migration journeys to the public cloud environment.

Enterprises in France are working with consulting and transformation service providers to shift toward the public cloud, to accelerate their international growth. The utilization of cloud capabilities is battling problems like workload assessment, change management, the shortage of talented specialists, skill gaps, and uncertainties about integration of existing infrastructure. France also excels in promoting systems that value customer experience and accessibility. This report can help with choosing the right provider to overcome the challenges and address the difficulties mentioned.

For enterprises, the benefits of working with consulting and transformation service providers include advanced data-based workload assessment, transformation roadmaps, advisory on workload migration, re-architecture of legacy applications, integration of automation capabilities, adhering to the latest security requirements and optimizing cloud governance. Enterprises embracing the shift towards cloud should be looking for multi-cloud solutions to achieve a maximized value.

Enterprises in France are enhancing their existing e-commerce systems, accessibility to governance capabilities and working toward industry 4.0 models. The push toward hybrid and multicloud environments has increased the offerings from hyperscalers.

Consulting and transformation service providers can help to create a framework for workload migration based on a thorough understanding of the operating environment and data protection regulations.

Enterprises are increasingly shifting their focus from lift and shift toward long-term application modernization, hence re-architecture, code reviews and cloud-native environments. The willingness to invest in migration is rising further, not only due to the challenges mentioned, but due to the change of pace that is needed for a successful digitalization journey.

IT leaders should read this report to better understand the relative strengths and weaknesses of consulting and transformation service providers, as well as to help them lead the digital transformation drive in their enterprises.

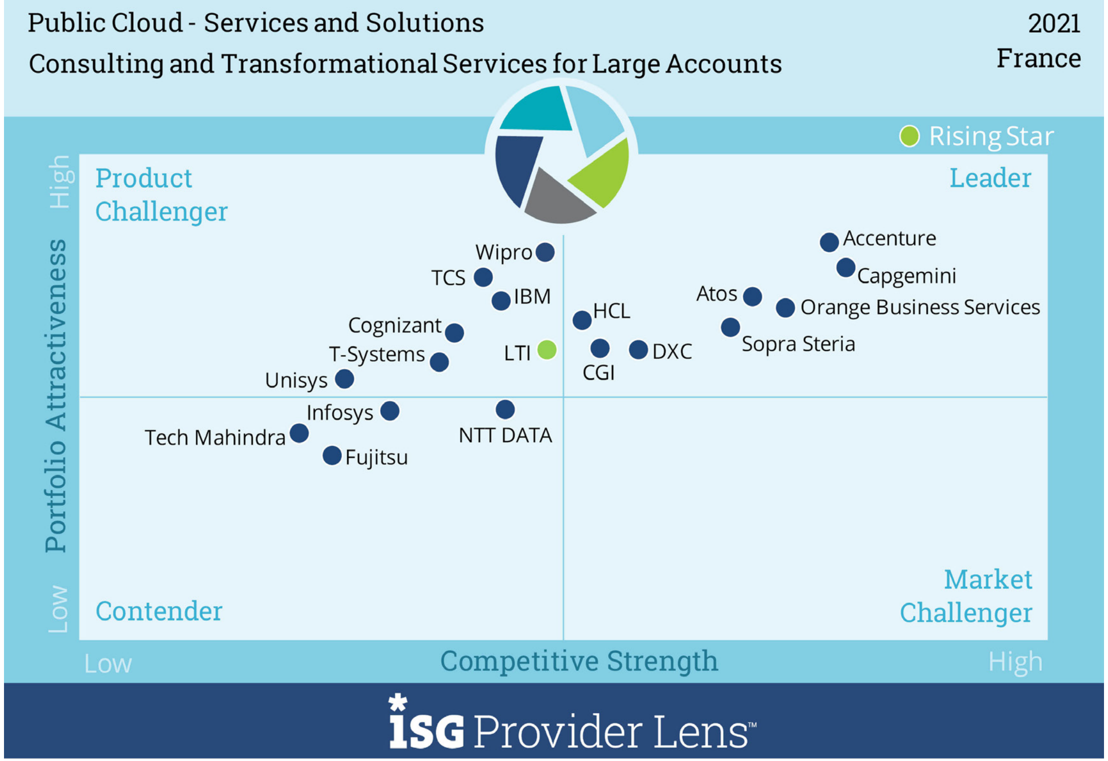
Software development and technology leaders should read this report to understand the positioning of consulting and transformation service providers, learn how those providers' offerings can impact an enterprise's ongoing transformation initiatives, and discover the benefits they can achieve by moving to the cloud.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of consulting and transformation service providers in France.

CONSULTING AND TRANSFORMATION SERVICES FOR LARGE ACCOUNTS

Definition

This quadrant assesses service providers or service integrators that offer consulting and transformation services for public cloud engagements. Public cloud enables enterprises to achieve agility and scalability without the need to invest in their own infrastructure, which makes it an integral aspect of digital transformation. Participating service providers have partnerships with public cloud infrastructure providers to offer ideation of multicloud programs, industry cloud solutions and manage customer-specific complexities of adopting and deploying public cloud solutions. These providers have highly skilled developers and software architects who leverage design thinking, SCRUM initiatives and short work cycles to meet growing customer demands.



Source: ISG Research 2021

CONSULTING AND TRANSFORMATION SERVICES FOR LARGE ACCOUNTS

Definition (cont.)

Provider services typically include the following:

- Consulting services: Consultants design a business case for cloud; assess a workload for migration; build a transformation roadmap, which includes addressing risk and compliance issues; and advise on migrating applications from the existing environment to a public cloud.
- Transformation services: Cloud experts design and build cloud architecture/environments, and migrate and integrate applications to harness cloud computing features and benefits.
- Governance, risk and compliance services: Cloud experts design frameworks, policies, processes and functions to ensure that enterprise cloud workloads are run in a secure and compliant environment, regardless of location. As governance, risk and compliance has become a mainstream requirement from a CXO's office, the industry expects these to be an integral part of transformation engagements.

Eligibility Criteria

- Methods and frameworks to analyze a client's IT landscape, and help them avoid additional technical debts and realize value in their IT spending;
- Experience in planning and implementation of multicloud services for major industry verticals;
- Application migration experience (templates, automation engines and many more techniques) in conjunction with cloud-native application development for brownfield workloads;
- Hyperscale-provider-related partner program certifications;
- Robust APIs for application and service integration in public cloud;
- Ability to drive governance, risk and compliance for large transformation programs;
- Migration through cloud native application development for brownfield workloads.

CONSULTING AND TRANSFORMATION SERVICES FOR LARGE ACCOUNTS

Observations

The cloud consulting and transformation services market for large accounts in France has been observing an accelerated growth since the outbreak of the COVID-19 pandemic in 2020. The pandemic exposed the shortcomings of on-premises infrastructure and helped realize the resiliency that public cloud can provide. Private and public companies, as well as governments at all levels, realized the strategic importance of the cloud for the French market.

A survey sponsored by AWS in 2021 asked business leaders about the importance of the cloud in France, and 61 percent expressed that their business or operating model would not be possible without the cloud.

In this study, ISG observed that service providers have improved their cloud portfolio in response to a surge in demand. Even the most conservative consulting companies are hiring and certifying their experts in cloud technologies.

Without a doubt, the French market is eager to accelerate cloud adoption. However, government concerns around data privacy and data sovereignty create some level of uncertainty for IT leaders. In response, leading service providers can help enterprises better understand regulations and their ramifications and design solutions that fully comply with the strictest regulations.

Of the 46 service providers assessed in this study, 19 have qualified for this quadrant, and eight were named as Leaders and one a Rising Star.

- **Accenture** has a robust organization in France. A series of acquisitions in the country and in other parts of Europe have strengthened its competitive position. Accenture has clear focus on cloud transformation and works closely with hyperscalers, which enables it to handle complex cloud transformations.
- **Atos** offers a broad portfolio of solutions that enhance cloud performance with cybersecurity, compliance, data analytics and hybrid cloud, including business consulting around industry 4.0, edge computing and environmental, social and corporate governance.

CONSULTING AND TRANSFORMATION SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

- **Capgemini** is one of the largest IT service providers in France. It offers a broad portfolio, including advanced consulting capabilities. Its cloud transformations leverage mature automation tools and service frameworks that accelerate large scale transformations.
- **CGI** has long been operating in France, nurturing long lasting client relationships in private and public sectors. It has improved its focus on cloud transformations with more certifications and case studies in 2021. Cloud transformation complements its comprehensive IT outsourcing portfolio.
- **DXC Technology** is a global service provider with strong cloud sales and delivery capacity, making it a top partner of AWS, Google Cloud Platform, Microsoft Azure and Oracle Cloud Infrastructure. It leverages a robust global organization, with long established experience in the French market.
- **HCL** has been building on proprietary tools that provide it with differentiation and accelerated growth. Clients benefit from well-structured frameworks that speed cloud transformations and add innovation. HCL is very competitive as it blends automation, innovation, onshore (Europe) and offshore (India) capacity.
- **Orange Business Services (Orange)** leverages its well-known brand presence and large-scale operations in France. It has invested in acquisitions and certifications to build a strong cloud services organization that has acquired new clients and has been observing strong growth in 2021.
- **Sopra Steria** has, in France, its largest operation in Europe. The company offers a broad IT service portfolio with strong capabilities in application modernization that optimizes cloud transformation results. Sopra Steria is expert in transforming applications and data in compliance with strict regulations in France.
- **LTI** (Rising Star) offers France-based enterprises a robust toolset to accelerate cloud adoption and innovation. It addresses cloud transformations with pragmatism, leveraging world-class best practices that are incorporated into advanced AI-automation to deliver reliability and performance in the cloud.

ENTERPRISE CONTEXT

Consulting and Transformation Services for Midmarket

This quadrant is relevant to midsized enterprises in France that are evaluating consulting and transformation service providers. This quadrant report is centered around the current market positioning of these providers and how they address key challenges in large enterprise migration journeys to the public cloud environment.

Enterprises are shifting toward the public cloud and working with consulting and transformation service providers to overcome the difficulties such as workload assessment, change management, a shortage of talented specialists, skill gaps, and uncertainties about integration of existing infrastructure. In 2021, many enterprises are accelerating their digital transformation focused on customer experience and improving systems, but some transformations may have been implemented too hastily. This report can help with choosing the right provider to overcome the challenges and address the difficulties mentioned.

For enterprises, the benefits of working with consulting and transformation service providers include advanced data-based workload assessment, transformation roadmaps, advisory on workload migration, re-architecture of legacy applications, integration of automation capabilities, adhering to the latest security requirements and optimizing cloud governance. Enterprises embracing the shift toward the cloud should be looking for multicloud solutions to achieve a maximized value.

Midsized enterprises in France are adapting to new directives from projects like Gaia-X and European directives like the GDPR, which highly favor cloud native concepts.

Enterprises are increasingly adapting the principles and paradigm shift surrounding the cloud native concept, which allows for a multitude of solutions with the goal to break up monolithic structures. Overall, the benefits of increased resilience, flexibility and scalability are too valuable for modern enterprises to pass up.

Midsized enterprises find themselves with more cost-effective investment options beyond lift and shift, there are now a lot of "drop-and-shop" options that can easily be tailored to individual customers by a knowledgeable partner. These repurchasing solutions are fulfilling the new cloud native standards that independent software vendors are striving for.

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CONSULTING AND TRANSFORMATION SERVICES FOR MIDMARKET

Definition

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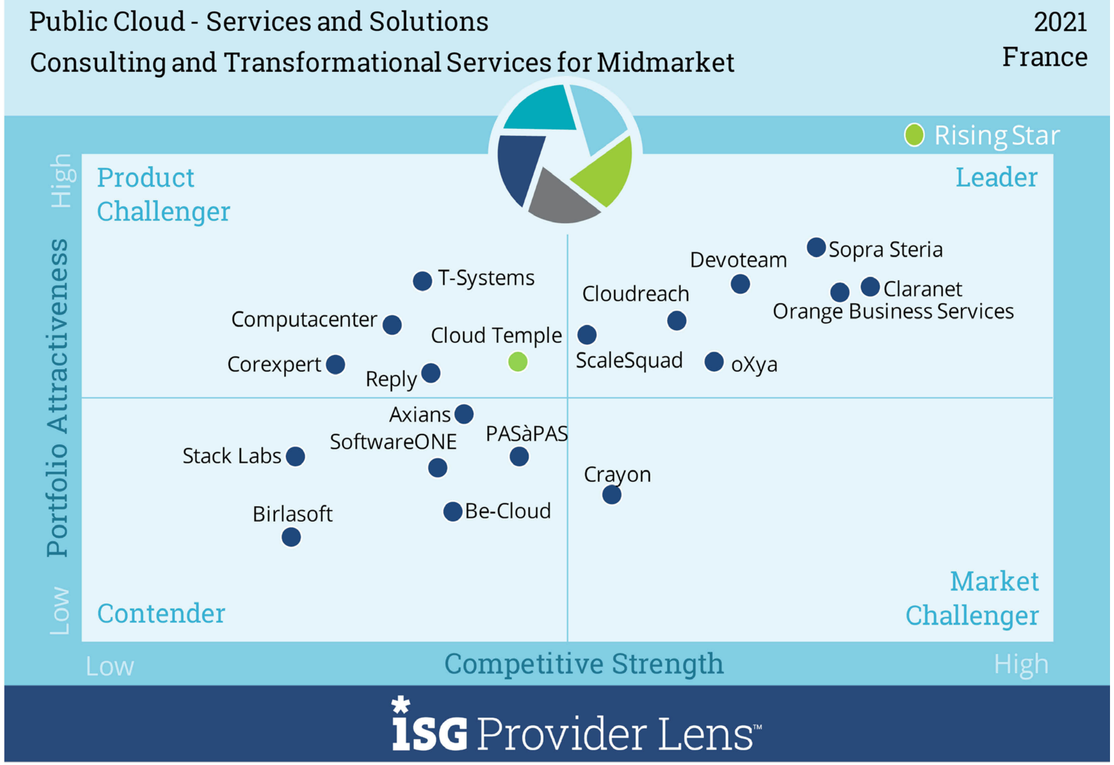

Source: ISG Research 2021

CONSULTING AND TRANSFORMATION SERVICES FOR MIDMARKET

Definition (cont.)

Provider services typically include the following:

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- Governance, risk and compliance services: Cloud experts design frameworks, policies, processes and functions to ensure that enterprise cloud workloads are run in a secure and compliant environment, regardless of location. As governance, risk and compliance has become a mainstream requirement from a CXO's office, the industry expects these to be an integral part of transformation engagements.

Eligibility Criteria

- Methods and frameworks to analyze a client's IT landscape, and help them avoid additional technical debts and realize value in their IT spending;
- Experience in planning and implementation of multicloud services for major industry verticals;
- Application migration experience (templates, automation engines and many more techniques) in conjunction with cloud-native application development for brownfield workloads;
- Hyperscale-provider-related partner program certifications;
- Robust APIs for application and service integration in public cloud;
- Ability to drive governance, risk and compliance for large transformation programs;
- Migration through cloud native application development for brownfield workloads

CONSULTING AND TRANSFORMATION SERVICES FOR MIDMARKET

Observations

The cloud consulting and transformation services midmarket continues to show robust growth as observed in the previous years. The COVID-19 pandemic further pushed cloud adoption as companies running in the cloud had better conditions to work under the imposed social distancing. With market growth, ISG noted several merges and acquisitions in 2020 and 2021, demonstrating that the market is maturing and becoming more competitive. Service providers are investing in certifications to better serve their clientele. Most of the service providers in this quadrant have acquired more certifications and some have increased partner certifications.

Of the 46 service providers assessed in this study, 17 have qualified for this quadrant, of which seven were named Leaders and one is a Rising Star.

- **Claranet** is a pioneer in offering cloud consulting and migration services in Europe. It entered the French market through acquisitions, leveraging local talents to support French companies. The company offers a broad portfolio, including top certificates for AWS, Google Cloud Platform and Microsoft Azure.
- **Cloudreach** is a cloud-native company founded in the U.K., with a growing presence in France. It partners with the top three hyperscalers and offers automation tools and seasoned cloud resources to bring innovation with leading cloud technologies.
- **Devoteam** was founded in France and has expanded throughout Europe. It had deep expertise in application development before it acquired leading niche cloud companies in Europe, acquiring top certifications and expertise on the three hyperscalers.
- **Orange Business Services** is a business unit of Orange, and a large multinational corporation. Orange offers a service platform to handle hundreds of enterprise clients, and local offices covering all French territory. It partners with the top three hyperscalers and has been improving its cloud consulting practice.
- **oXya** was founded in France and later acquired by Hitachi Vantara. It is a flexible and agile organization backed by a global corporation. It focuses on SAP migrations to AWS, Google Cloud Platform and Microsoft Azure, with deep expertise in this area.
- **ScaleSquad** has exclusive focus on cloud consulting and managed services. It is part of the Neurones Group. The company has developed a proprietary cloud transformation framework that leverages automation for rapid and safe cloud migrations.

CONSULTING AND TRANSFORMATION SERVICES FOR MIDMARKET

Observations (cont.)

- **Sopra Steria** is a well-known brand in France, offering a comprehensive IT service portfolio. It serves companies of all sizes across industries. Sopra Steria partners with six hyperscalers and additional data center providers to deliver hybrid cloud solutions.
- **Cloud Temple** (Rising Star) offers data center and cloud services. It partners with the three top hyperscalers and uses its data center for data compliance. Cloud Temple is growing in France, and is improving its certification levels with a clear focus on public cloud.

CLARANET

Overview

Claranet was founded in 1996 in the U.K. The company has been offering cloud services since 2014 and was recognized as an AWS Premier Consulting Partner in 2016. At present, it has more than 10,000 business customers in 10 countries. It started operations in France in 2015, and has offices in Bordeaux, Nantes, Rennes, Caen, Lille and Paris. Claranet offers hybrid cloud in partnership with AWS, Google Cloud Platform and Microsoft Azure.

Strengths

Focus on client results: Claranet gives equal importance to each of its cloud partners, helping clients select the best cloud for their needs. It leverages hyperscalers best practices and adds proprietary and partner tools on the assessment and implementation of the best cloud architecture for each client. Claranet merges extensive cloud experience with comprehensive frameworks to deliver agility. It does not offer a fabric approach, instead, it designs a new cloud model for each client, explaining in detail the impacts and consequences of every architectural decision.

Agility and flexibility: Claranet is large enough to handle complexity and small enough to care for each client. It designs a cloud architecture that uses serverless computing, AI services and other cloud resources, considering alternatives to prevent clients' lock-in, while proposing the necessary resources based on the application layer and innovation that can transform clients' digital performance.

Mature consulting methodology: Claranet has clearly defined objectives and deliverables for each phase of cloud transformation, ensuring visibility and tangible, measurable milestones. Project deliverables, such as data output files, summary reports, dependency mapping, vulnerability scans and other artifacts can be audited, ensuring transparency and visibility.

Caution

Claranet does not focus on public organizations and governments, having higher penetration in the private sector midmarket.

2021 ISG Provider Lens™ Leader

Claranet offers seasoned consultants and high-graded cloud certificates for safe cloud transformations with innovation and predictable/assured business outcomes.

ENTERPRISE CONTEXT

Managed Public Cloud Services for Large Accounts

This quadrant is relevant to large enterprises in France that are evaluating public cloud managed service providers. This quadrant report is centered around the current market positioning of these providers and how they interact with key challenges in large enterprises' infrastructure management in the public cloud environment. These providers manage client workloads on third-party, public cloud, hyperscale environments so enterprises can focus on other tasks.

Enterprises are looking for service providers that are proficient in re-architecting and re-platforming of existing applications. In 2021, improving upon former lift-and-shift projects or refactoring existing models creates a market for public cloud managed services that provide cloud-native solutions, leveraging open-source solutions, containerization and serverless functions. In addition to modernization, this is driven by the urge to achieve cost efficiency. Cost efficiency usually means implementing a multicloud environment, which in turn needs cloud agnostic solutions that need to be managed at the highest transparency level.

Large enterprises are driven to move as many operations as possible to an automation-centric model for managing their multicloud environments. Automation will benefit the enterprises by leveraging their workforce as efficient as possible, and solutions include AIOps capabilities to monitor their infrastructure for proactive responses, predict the failures and reduce maintenance costs.

In France, the implementation of cloud-native concepts, automation and improving e-commerce capabilities in connection with saving costs is a noticeable change in an effort to better leverage available resources. This refreshed the market offerings, gave the opportunity for service providers to specialize i specific verticals and encouraged innovative pricing models.

IT leaders should read this report to better understand the relative strengths and weaknesses of managed service providers, as well as how managed service provider approaches to the market can impact enterprise public cloud strategies, improve business agility, and reduce total cost of ownership.

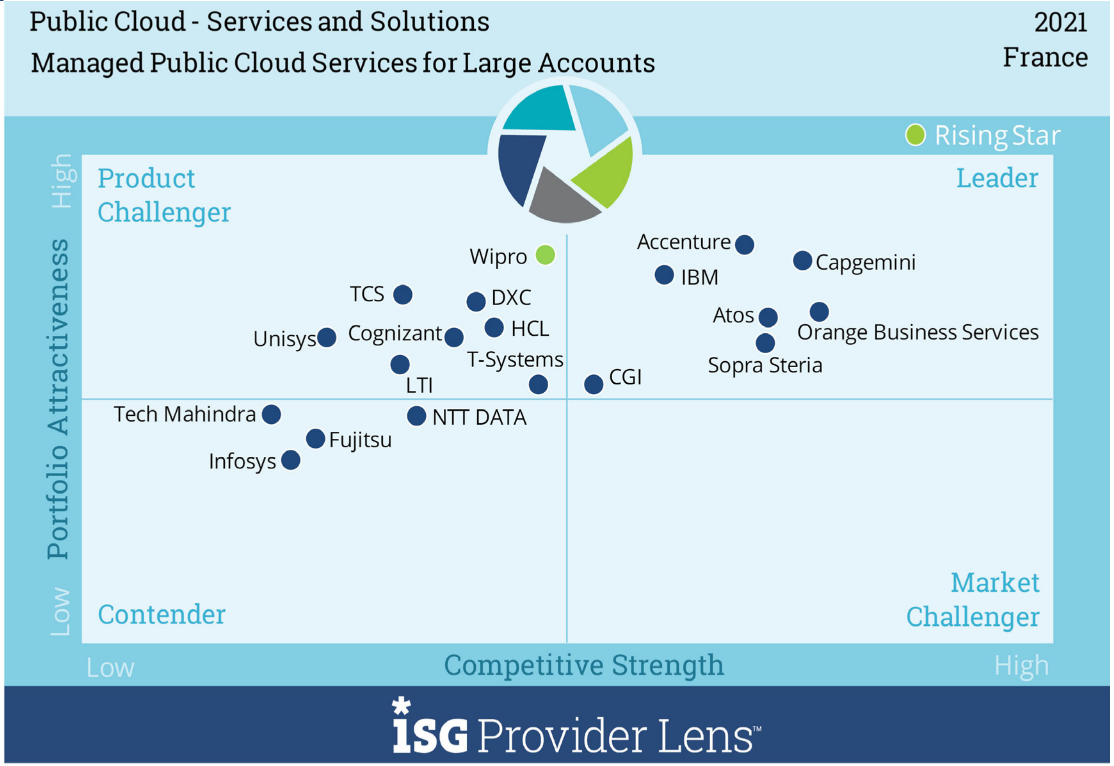
Software development and technology leaders should read this report to understand the positioning of managed service providers and learn how their offerings can impact ongoing development of enterprise software products.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of managed services providers in France.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Definition

This quadrant assesses service providers and service integrators that offer managed public cloud infrastructure and application services. Managed service providers of public cloud offer professional and managed services on top of public cloud IaaS providers/hyperscalers (AWS, Microsoft Azure, Google Cloud Platform) through a DevOps- and DevSecOps-centric approach and help enterprise build a robust CI/CD pipeline with strong container management capabilities. Under the managed public cloud services umbrella, a provider is responsible for providing site reliability engineering and business resiliency.



Source: ISG Research 2021

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Definition (cont.)

Broadly, these services include cloud services lifecycle management, real-time and predictive analysis, and monitoring and managing a customer's public and multicloud environment, with the aim to maximize the performance of workloads in the cloud, reduce costs and ensure compliance and security. Typically, specially developed or licensed cloud management platforms and tools are used to serve customers with maximum automation, and provide the necessary transparency on the managed cloud resource pool, in terms of capacity utilization and costs, including self-service administration. In addition to the technical services a provider offers dashboards to analyze and forecast financial impacts and propose optimization of the services.

Provider services typically include the following:

- Professional services for the management and monitoring of CPU, storage, memory, databases, and operating systems as standalone or micro services or virtual machine and container services;
- Operating system, middleware and application upgrade services;
- Cloud infrastructure management platform for cloud-cost management (charge back and show back), identity management and IT service management;
- Monitoring, logging, patching, and predictive analytics services to guarantee performance and security improvements throughout a container lifecycle to enable continuous integration and delivery;
- Governance and compliance management, along with a robust cyber security framework and platform for securing client data in multiple geographies;
- Support services such as incident management, configuration, security services and automation setup.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Eligibility Criteria

- Operational excellence and well-defined professional services;
- Experience in building and managing public and multicloud environments, along with expertise in managing configurations of platforms and systems as well as that of containers;
- Financial dashboards and cost analysis tools, providing visibility of variable costs associated with cloud providers through FinOps ecosystem;
- Support for software code development and cloud-native and legacy system integration by leveraging DevOps, API-enabled automation and cloud analytics services;
- Robust cyber security managed services offering;
- Partnerships with relevant public cloud providers and respective managed-service-provider certificates for AWS, Microsoft Azure, Google Cloud Platform, or others.

Observations

The managed public cloud services market for large accounts has been gaining maturity and Managed service providers (MSP) are investing to improve the use of AI to support infrastructure automation. Most participants in this study have AIOps platforms in the support of infrastructure as code (IaC).

What differentiates service providers is no longer just the tools but the level of automation they can achieve. Even using the same software and tools, a service provider that invests in capturing events and logs to reinforce machine learning can achieve higher automation and develop predictive mechanisms that improve service quality.

The new hot topic in 2021 is financial operations (FinOps). An increasing number of companies are operating in multicloud environments and using more cloud services, thus increasing the complexity of cloud spending. Customers also want to understand who, in their organizations, are spending on cloud. The FinOps tools have emerged with the promise to simplify the accounting and assigning of cost to each cost center (chargeback), and demonstrate spending in detail (show back).

However, no FinOps tool offers all functions for all clouds. Service providers integrate several FinOps tools with analytic tools to account clients' cloud usage and spending and provide chargeback and show back reports.

MANAGED PUBLIC CLOUD SERVICES FOR LARGE ACCOUNTS

Observations (cont.)

Of the 46 service providers assessed in this study, 19 have qualified for this quadrant, of which seven were named as Leaders and one is a Rising Star.

- **Accenture** has long been operating in France. It acquired several companies in France to accelerate its cloud growth and offer local talents. Accenture has strategic partnership with the three top hyperscalers.
- **Atos** acquired Edifixio in 2020 — a top AWS service provider in France. The company had partnered with AWS, Google Cloud Platform and Microsoft Azure before the acquisition. It adds decarbonization, cybersecurity and data analytics to its managed cloud services offering.
- **Capgemini** offers a robust IT service management (ITSM) toolset, including managed cloud services. Its toolset integration provides clients with an end-to-end IT service platform, enabling Capgemini to oversee all infrastructure, from connectivity to security, and application performance.
- **CGI** is based in Canada, with global operations and a large footprint in France. The company's outsourcing service offering has evolved to include the public cloud. It leverages a robust service business with many years of experience in France.
- **IBM** offers managed services from its Global Technology Services division. In 2020, it announced a spinoff into a company, Kyndryl, which will include most of its Global Technology Services business. The new company is open for new partnerships. It offers IBM Cloud and partners with AWS, Google Cloud Platform and Microsoft Azure.
- **Orange Business Services** leverages the robustness of its parent company to deliver managed services to large enterprises. It offers the Orange Flexible Engine Cloud platform and partners with the top three hyperscalers, enabling it to fully cover the need for data sovereignty and compliance with strict regulations.
- **Sopra Steria** has been gradually increasing its public cloud services offering. It leverages a service platform that integrates with six hyperscalers and other local data centers, enabling it to provide cloud services to any client, including governments and companies under OIV and OSE classifications.
- **Wipro** (Rising Star) is a large global services company that recently named France as a primary focus area for growth. It offers a robust service platform that uses automation for everything, enabling high quality delivery and efficiency in managing clients' cloud infrastructures.

ENTERPRISE CONTEXT

Managed Public Cloud Services for Midmarket

This quadrant is relevant to large enterprises in France that are evaluating public cloud managed service providers. This quadrant report is centered around the current market positioning of these providers and how they interact with key challenges in large enterprises' infrastructure management in the public cloud environment. These providers manage client workloads on third-party, public cloud, hyperscale environments so enterprises can focus on other tasks.

Enterprises are looking for service providers that are proficient in re-architecting and re-platforming of existing applications. In 2021, the acceleration of cloud usage due to remote work and government services going online creates a demand for public cloud managed services that provide cloud-native solutions, leveraging open-source solutions, containerization and serverless functions. In addition to modernization, this is driven by the urge to achieve cost efficiency. Cost efficiency usually means implementing a multicloud environment, which in turn needs cloud agnostic solutions to be managed at the highest transparency level.

In France, the implementation of cloud-native concepts, automation and improving e-commerce capabilities in connection with saving costs is a noticeable change in an effort to better leverage available resources. This refreshed the market offerings, gave the opportunity for service providers to specialize in specific verticals and encouraged innovative pricing models.

Midsize enterprises benefitted from the diverse number of managed service providers, which are drivers for vertical specialized automation, infrastructure monitoring and cost-efficient multicloud solutions, while offering transparency and data leveraging by implementing tailored dashboards.

IT leaders should read this report to better understand the relative strengths and weaknesses of managed service providers, as well as how managed service provider approaches to the market can impact enterprise public cloud strategies, improve business agility and reduce total cost of ownership.

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MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition

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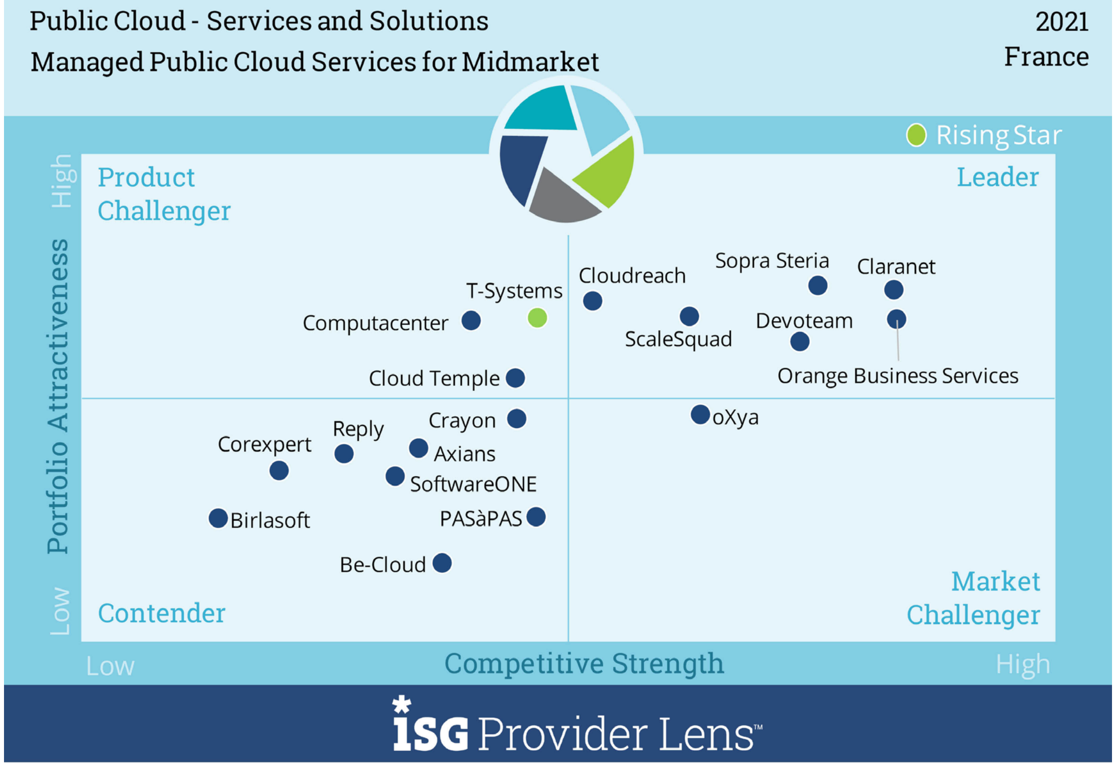

Source: ISG Research 2021

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Definition (cont.)

maximum automation, and provide the necessary transparency on the managed cloud resource pool, in terms of capacity utilization and costs, including self-service administration. In addition to the technical services a provider offers dashboards to analyze and forecast financial impacts and propose optimization of the services.

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MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Eligibility Criteria

- Operational excellence and well-defined professional services;
- Experience in building and managing public and multicloud environments, along with expertise in managing configurations of platforms and systems as well as that of containers;
- Financial dashboards and cost analysis tools, providing visibility of variable costs associated with cloud providers through FinOps ecosystem;
- Support for software code development and cloud-native and legacy system integration by leveraging DevOps, API-enabled automation and cloud analytics services;
- Robust cyber security managed services offering;
- Partnerships with relevant public cloud providers and respective managed-service-provider certificates for AWS, Microsoft Azure, Google Cloud Platform, or others.

Observations

Midmarket clients often need service providers to also support them in decisions around cloud configuration, security, data lakes and analytics, DevOps automation and cost optimization. These services can be included in managed services or provided on-demand.

A widespread adoption of AIOps is diminishing service providers' differentiation in terms of technology. In the midmarket, key differentiators are related to the capacity to respond quickly to on-demand service requests, and the quality or technical expertise a service provider can offer.

The cost management and cloud resource consumption control are also important. Service providers include FinOps tools in their managed service offering, enabling clients to check their multicloud spend and proactively optimize consumption to contain costs. Midmarket clients often require their service provider to assess options to reduce costs.

Of the 46 service providers assessed in this study, 17 have qualified for this quadrant, of which six were named Leaders and one is a Rising Star.

- **Claranet** partners with the top three hyperscalers, with high certifications. Its managed services include cloud operations, data management and security monitoring. Optionally, clients can include cybersecurity and data analytics in their contracts.

MANAGED PUBLIC CLOUD SERVICES FOR MIDMARKET

Observations (cont.)

- **Cloudreach** partners with the top three hyperscalers and leverages their toolsets to offer managed services. It differentiates itself by the number and level of cloud certifications it possesses. Cloudreach focuses on best practices to provide full compliance and security.
- **Devoteam** has separate business units for AWS, Google Cloud Platform and Microsoft Azure. Dedicated teams enable it to offer deep expertise related to each hyperscaler's portfolio. The Devoteam G Cloud (Google Cloud Platform) is one of the most relevant in Europe.
- **Orange Business Services** leverages a large organization to provide midmarket clients with the seamless quality and efficiency it offers to large accounts. The company partners with the top three hyperscalers and leverages its Orange Flexible Engine Cloud platform, if necessary.
- **Scale Squad** is a part of the NEURONES Group. The company focuses on the midmarket. It offers a flexible and Agile organization to respond quickly to clients' needs. It takes a pragmatic approach, with automation tools and frameworks to deliver quality services.
- **Sopra Steria** operates across France to serve large and midmarket clients. It has a robust managed services platform with AIOps and FinOPs full functionality. It partners with six hyperscalers and local data centers, offering clients with many alternatives to optimize cost and performance.
- **T-Systems** (Rising Star) is a Germany-based service provider and a well-known brand in France. A few years ago, it moved from being a data center provider to being recognized as a top certified cloud partner. It partners with the top three hyperscalers, globally. In Europe, it also offers OVHcloud and Open Telekom Cloud.

CLARANET

Overview

Claranet has been offering cloud services since 2014, and was recognized as an AWS Premier Consulting Partner in 2016. It has more than 10,000 business customers in the U.K., the U.S., Portugal, Spain, France, Italy, Switzerland, Germany, the Netherlands and Brazil. France is one of its top three markets, where it has offices in Bordeaux, Nantes, Rennes, Caen, Lille and Paris.

Strengths

Full-scope portfolio: Claranet is a certified MSP and partner of AWS, Google Cloud Platform, Microsoft Azure and OVHCloud. Its portfolio includes data center hosting, managed services, cybersecurity and data services. Claranet experts help clients transform applications to use cloud services such as serverless, AI, data lakes, infrastructure as code and DevOps automation to reduce delivery time and secure application deployments.

Proactive cloud optimization: Claranet monitors clients' cloud operations to proactively advise them on how to reduce consumption and control costs. It uses ServiceNow, New Relic, Datadog and CloudHealth platforms integrated with Prometheus for monitoring and using analytics to predict incidents. Claranet proposes cloud architecture optimizations that combine public and private clouds, providing clients a one-stop-shop for their data, DevOps, security and infrastructure needs

Cybersecurity expertise: Claranet has been continuously improving its cybersecurity services. It offers certified and experienced experts to deploy and operate extremely secure solutions. Claranet offers training, vulnerability assessments, application pen test and continuous security monitoring. It also builds on site reliability engineering (SRE) to improve the reliability of infrastructure and applications, while coaching clients in identifying and solving performance bottlenecks to create a high-performance culture.

Caution

Claranet should extend its capabilities around SAP products operations in the cloud, including SAP S/4HANA.

2021 ISG Provider Lens™ Leader

Claranet's comprehensive portfolio, together with years of experience in providing cloud services and top certifications ensure the best support and advice for cloud operations.

ENTERPRISE CONTEXT

Hyperscale Infrastructure and Platform Services

This report is relevant to enterprises across industries in France and will help them evaluate providers of hyperscale infrastructure and platform services. This quadrant report is centered around the current market positioning of these providers and how they interact with key challenges in France and the way they address the key challenges that confront enterprise clients in the country.

The reasons for enterprises to maintain their own IT infrastructure are still prevalent, but they can reduce costs lead by migrating as many workloads as feasible to the public cloud, while adhering to compliance requirements. This leads to a wide variety of multicloud solutions available for a successful digitalization journey. This report can help with choosing the right hyperscale platform to migrate their workloads.

Enterprises are focusing on digital transformation initiatives, while maintaining accessibility and promoting transparency. Enterprises can benefit from investing in infrastructure, and platform services that manage their infrastructure with regular (end-to-end) updates also help in enhancing processes and ensuring operational efficiency. The major focus areas for enterprises are cloud migrations, IT system and process modernizations, managing data at scale, and generating ROI to build the next generation of IT processes and applications.

In addition, enterprises welcome combined and scalable computing resources as a resource, as well as middleware, virtual or containerized software-defined environments and serverless architectures. Along with the infrastructure, enterprises can also take advantage of platform-as-a-service (PaaS) offerings that include persistent resources, business process management, collaboration networks, databases, analytics, and machine learning capabilities.

Enterprises in France have also started developing cloud native dashboards to manage multicloud scenarios. In addition, the increase in public cloud adoption is aided by factors such as improved data security and increased use of containerization and microservices technologies for application development and deployment. The vast number of software services available allow for “drop-and-shop” moves, creating fast and tested transitions.

IT leaders should read this report to better understand the relative strengths and weaknesses of hyperscale infrastructure and platform service providers, as well as learn how these providers’ approaches to the market can impact enterprise public cloud strategies, reduce total cost of ownership, and improve business agility, scalability, and flexibility.

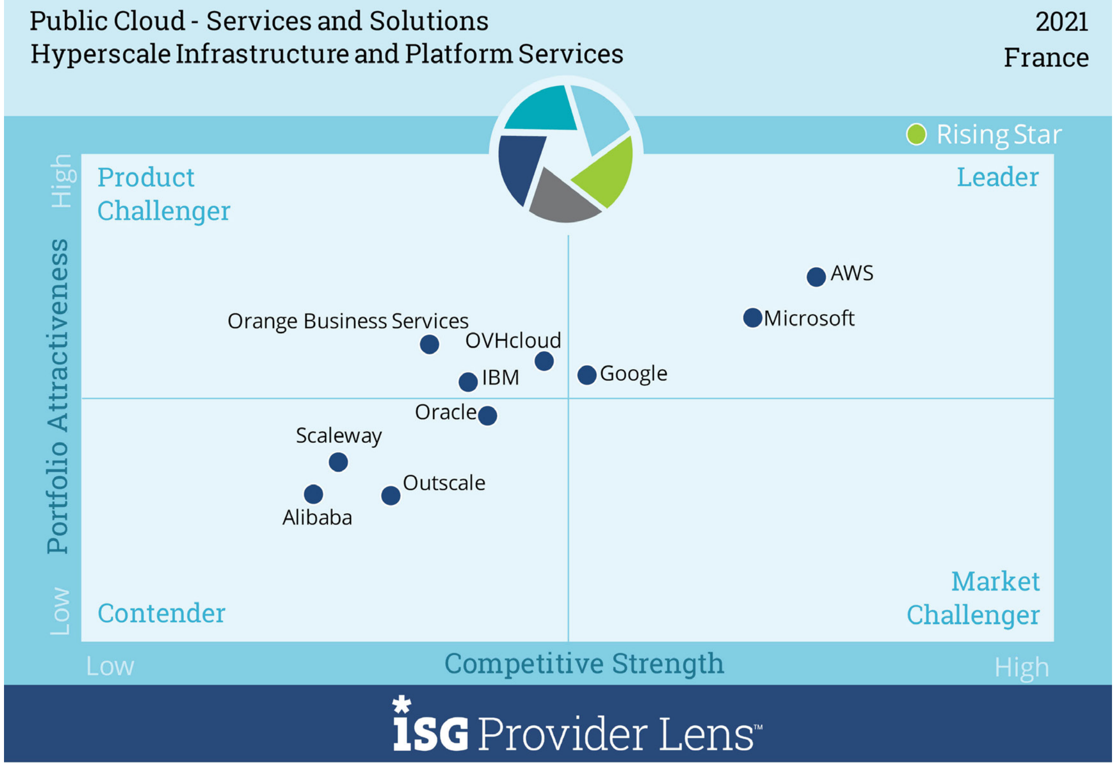
Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscalers, which can help them procure infrastructure and platform services to migrate their workloads to public cloud platforms.

Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of hyperscale infrastructure and platform service providers in France.

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Definition

This quadrant assesses suppliers that provide virtual compute resources, middleware and software in a public cloud environment. Clients consume infrastructure and platform (micro) services as on-demand and web-centric services. Typical services in the IaaS segment are compute services, storage and network resources, where all are provided as virtual or containerized software-defined offerings and rounded up by serverless architectures. The hyperscaler PaaS segment offers multiple micro-services and runtime engines for predefined cloud-based application development that typically addresses full lifecycle needs for a developer building or modernizing applications. Services include middleware, persistent resources, business process management, collaboration networks, databases, analytics and machine learning capabilities. Internal and external (third-party) services are also being made available through marketplaces. In addition, IaaS or PaaS vendors support and manage independent software vendors in their go-to-market activities.



Source: ISG Research 2021

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Eligibility Criteria

- Innovative portfolio of infrastructure services (computing power, memory, network, backup, etc.) and container management functions;
- Easy access, transparent prices, dynamic (consumption-based) and fixed (reserved) billing models;
- Recognized standards and certifications, strong focus on data protection and sophisticated cybersecurity approach;
- Support for infrastructure as code (IaC) and serverless computing, in combination with highly automated provisioning, event triggering and failover;
- Test and development environments, including workflows and log/ report functionality for rollouts;
- Specialized hardware for custom requirements and high-performance computing requirements for processes leveraging ML to train algorithms for AI services;
- Open architecture and well-documented (web service) APIs or middleware layer to join multiple clouds or services and platforms;
- Specialized partner program with a broad partner ecosystem to support local customer requirements.

Observations

The cloud market is becoming increasingly competitive. However, it is an expanding market, which creates opportunities for all cloud hyperscalers. All companies in this quadrant have been reporting double-digit growth rates for their cloud infrastructure services.

The market is going through challenging times. OVHcloud has been investing to elevate its public cloud services. It has been using data sovereignty as a lever to put itself as an alternative to U.S.-based hyperscalers. It has partnered with Google Cloud Platform, Atos, Capgemini and others to focus on data sovereignty. T-Systems also partners with OVHcloud in addition to Open Telekom Cloud in Germany. Capgemini signed an agreement with Orange to create Bleu, a cloud company in France that will run Microsoft Azure software, offering equal cloud functionalities but owned by French companies.

The debate around data sovereignty confirms the importance of the cloud for France. In January 2021, AWS sponsored a nationwide survey called "The Impact of AWS in France" of 1,005 businesses as well as an additional 495 cloud users. Based on the survey, AWS estimates that it is generating €1.6 billion in economic value by reducing costs and increasing revenues for an estimated 130,000 businesses across France, supporting the equivalent of 22,000 jobs. It also found that 61 percent of AWS-using businesses say that their business or operating model would not be possible without the cloud.

HYPERSCALE INFRASTRUCTURE AND PLATFORM SERVICES

Observations (cont.)

Despite the challenges related to regulations, the initiative of the Government of France, the Cloud au Centre, to accelerate cloud adoption, is very positive. The cultural barriers to the use of cloud services have been removed. It is a question of time and speed to put French companies at par with the global leading users of the public cloud.

Of the 46 service providers assessed in this study, 10 have qualified for this quadrant, of which three were named Leaders.

- **Amazon Web Services (AWS)** is a global leader in terms of cloud revenue. It offers more services and cloud regions than the other Leaders. The company has many clients in France, including large and midsize enterprises. AWS has many active partners in France, including certified migration partners and MSP experts. The company offers very compelling explanations of AWS local compliance, GDPR and data sovereignty. AWS offers data encryption and AWS Outpost on-premises to reduce data sovereignty implications.
- **Google Cloud Platform** (GCP) offers a secure cloud that is open for integration with other hyperscalers. Its data tools and databases are the main client attractions. Google BigQuery is the most preferred by clients that opt to run their applications on the Google Cloud Platform. In 2021, Google entered into an agreement with OVHcloud to offer Google Anthos on OVHcloud data centers, so that clients' data does not exit the French territory.
- **Microsoft Azure** merges cloud computing, cloud collaboration and SaaS, thus providing clients with a one-stop-shop in the cloud. The company is gaining popularity among cloud users, offering a robust and secure platform. Microsoft has strong sales channels. However, few partners offer robust case studies of pure cloud infrastructure deals in France. These partners compensate with large deals that combine Office365, Teams, and Azure. Most Microsoft clients prefer its combined offerings.

ENTERPRISE CONTEXT

SAP HANA Infrastructure Services

This report is relevant to enterprises across industries in France for evaluating providers of SAP HANA infrastructure services for SAP S/4HANA workloads and large-scale HANA databases. This quadrant report is centered around the current market positioning of these providers and how they interact with key challenges in France, based on the depth of service offering and market presence.

SAP offers an ever-changing product line, and many enterprises face the challenge of maintaining an IT infrastructure adaptable enough to cater to their needs. This results in difficulties regarding data and change management and the ability to keep their staff up to date on the upcoming changes. Hyperscalers offer to bridge that skill gap, implement SAP HANA and align third-party applications. This report can help with choosing the right hyperscale provider to migrate their SAP workloads.

Enterprises leverage computing resources, storage, and connectivity on a public cloud to host SAP workloads and facilitate scaling based on usage and infrastructure operations. Along with the infrastructure, enterprises can also take advantage of expertise in data migration, system imaging, backup, restore, disaster recovery, resource usage, monitoring and management dashboards.

Enterprises are looking for providers to focus on cost reduction, agility, improved security and resilience, analytics and industry-specific solutions for migrating SAP workloads. These enterprises have specific IT infrastructure needs such as scalability and adaptability of HANA-based workloads and integration with third-party tools.

IT leaders should read this report to better understand the relative strengths and weaknesses of SAP HANA infrastructure service providers and learn how these providers' approaches to the market can impact enterprise public cloud strategies.

Software development and technology leaders should read this report to understand the relative positioning and capabilities of hyperscale SAP HANA infrastructure providers, which can help them procure infrastructure and services to migrate their workloads to public cloud platforms.

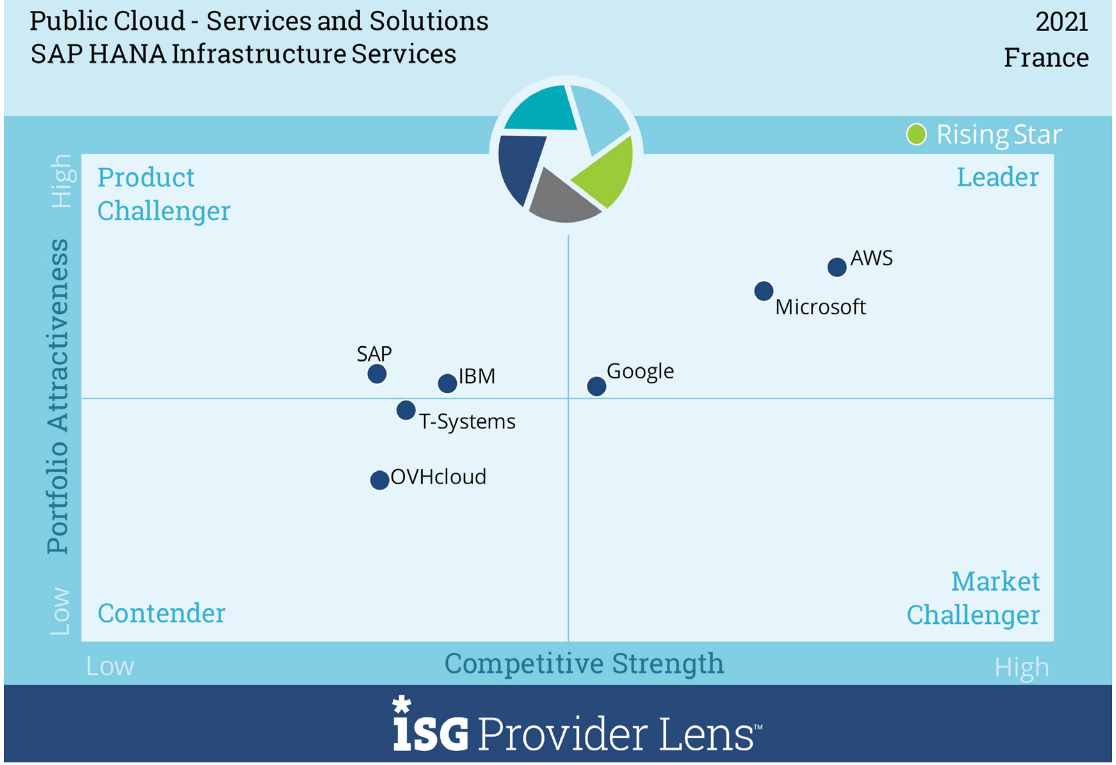
Sourcing, procurement, and vendor management professionals should read this report to develop a better sense of the current landscape of SAP HANA infrastructure service providers in France.

SAP HANA INFRASTRUCTURE SERVICES

Definition

This quadrant assesses cloud infrastructures best suited to host SAP's software portfolio, with emphasis on SAP S/4HANA workloads and large-scale HANA databases. Participating vendors offer IaaS, including infrastructure operations, facilities, provisioning and scaling capacity for SAP workloads. IaaS providers should offer data migration, system imaging, backup, restore, disaster recovery, resource usage monitoring and dashboard management services. Tools required for this can be a part of standard IaaS offerings or be provided by partners in a marketplace.

The participating vendor should also provide pre-sales support to help clients on the migration plan, cloud architecture, sizing and performance optimization, licensing, system and database configuration, virtual private network configuration and third-party vendor solutions (toolset). The support analysis focuses on the vendor's service partner ecosystem and the ability to conduct related migrations and operations.



Source: ISG Research 2021

SAP HANA INFRASTRUCTURE SERVICES

Eligibility Criteria

- IaaS includes servers, storage and connectivity specific to the SAP product line;
- Memory capacity should be above 6 TBs;
- Easy access, transparent prices, dynamic (consumption-based) and fixed (reserved) billing models;
- Recognized standards and certifications, strong focus on data protection and sophisticated cyber security approach;
- Offer SAP IaaS certified platforms;
- Test and development environments, including workflows and log/ report functionality for rollouts;
- Direct operations or at least one authorized partner or client relationship and compliance with local regulations regardless of data center location.

Observations

For SAP, moving all its clients to the cloud is imperative for business success. Many clients still have their SAP systems running on-premises. SAP claims that it has sold 17,000 SAP S/4HANA licenses, of which 10,000 are running in production. Market analysts speculate that there were 40,000 SAP clients running legacy ERPs when it launched SAP S/4HANA. Considering 10,000 are running in production, there are approximately 30,000 new SAP cloud workloads yet to run in the cloud, in addition to new customers that may buy SAP S/4HANA. ISG estimates that most of the legacy ERP clients will upgrade to SAP S/4HANA in the next three years.

On one side, the cloud is imperative for SAP. Its strategy privileges licensing as a service, which means on-premises will cost more for clients in the future. On the other side, cloud infrastructure can cost 30 to 40 percent less than on-premises.

With such cost attractiveness, clients do not need to overthink the benefits of running their SAP in the cloud. However, they must understand the right way to do it to avoid overspending. Typical SAP lift and shift may not achieve the expected savings. SAP on-premises typically runs on underutilized infrastructure that has extra capacity to support future growth. Sizing virtual machines with the same capacity is a mistake. In the cloud, clients can use optimized architectures that accelerate

SAP HANA INFRASTRUCTURE SERVICES

Observations

archiving and reduce HANA size and memory utilization, and faster connectivity improves performance relieving CPU power. In addition to cost and performance benefits, the public cloud offers environment-friendly data centers to reduce clients' carbon footprint and accelerate compliance.

The hyperscalers had identified these benefits and the market opportunity early. They now offer tools and frameworks to automate and accelerate SAP migrations to the cloud. The top three hyperscalers are engaged in an open war for getting more than 30,000 SAP workloads that should go into cloud in the next three years.

Of the 46 service providers assessed in this study, seven have qualified for this quadrant, of which three were named Leaders.

- **Amazon Web Services (AWS)** has more than 5,000 SAP clients. Its migration toolset can handle large SAP databases. Clients can test the migration before actually transporting their SAP production environments. It offers easy integration to enable SAP to consume AWS services. AWS offers the largest memory configurations, while its Nitro Technology provides superior VM performance.
- **Google Cloud Platform's** (GCP's) major attractiveness comes from AI analytic tools, including BigQuery. It offers a secure and reliable infrastructure. Automated migration is based on scripting, enabling clients to create container-like repeatable processes. Google provides monitoring tools that integrate with SAP monitoring tools, facilitating SAP operations in the cloud.
- **Microsoft Azure** integrates SAP with Azure Active Directory and Azure security tools. A more significant differentiation comes from Microsoft Teams, Microsoft Power BI and Microsoft Power Platform integration, enabling clients to use SAP S/4HANA functionality from their daily working tools.

Methodology

METHODOLOGY

The research study "ISG Provider Lens™ Public Cloud – Services & Solutions" analyzes the relevant software vendors/service providers in the France market, based on a multi-phased research and analysis process, and positions these providers based on the ISG Research methodology.

The study was divided into the following steps:

1. Definition of the Public Cloud – Services & Solutions, France market
2. Use of questionnaire-based surveys of service providers/vendor across all trend topics
3. Interactive discussions with service providers/vendors on capabilities and use cases
4. Use of ISG's internal databases and advisor knowledge and experience (wherever applicable)
5. Detailed analysis and evaluation of services and service documentation based on the facts and figures received from providers and other sources.
6. Use of the following key evaluation criteria:
   - Strategy & vision
   - Innovation
   - Brand awareness and presence in the market
   - Sales and partner landscape
   - Breadth and depth of portfolio of services offered
   - Technology advancements

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Distinguished analyst and author, Pedro brings extensive experience in research of the Americas and SEMEA (Southern Europe Middle East and Africa) markets. With more than 30 years of experience in sourcing, he has developed vendor assessments plus contract restructuring, services scope and IT benchmarking programs for diverse vertical markets in the Americas and Asia Pacific. Before joining ISG, Pedro was a partner of TGT Consult and managing vice president at Gartner Inc., responsible for the consulting business in APAC and Latin America.

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